VZCZCXRO2876 VZCZCXRO2876
PP RUEHAG RUEHROV RUEHSL RUEHSR
DE RUEHRL #0180/01 0431709
ZNY CCCCC ZZH
P 121709Z FEB 10
FM AMEMBASSY BERLIN TO RUEHC/SECSTATE WASHDC PRIORITY 6546 TO RUEHC/SECSTATE WASHDC PRIORITY 6546
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RHEINSC/NSC WASHINGTON DC PRIORITY
RUEAPRS/DEPT OF TREASURY WASHDC PRIORITY
RHEFHLC/HOMELAND SECURITY CENTER WASHINGTON DC PRIORITY
RUEAWJA/DEPT OF JUSTICE WASHINGTON DC PRIORITY
RHMCSUU/FBI WASHINGTON DC PRIORITY
RHMFISS/DEPT OF HOMELAND SECURITY WASHINGTON DC PRIORITY ID: 248711 ORIGIN: 10BERLIN180
DATE: 2010-02-12 17:09:00
SOURCE: Embassy Berlin
CLASSIFICATION: CONFIDENTIAL 10BERLIN128 | 10BERLIN176 DESTINATION: VZCZCXRO2876RUEHAG RUEHROV RUEHSL RUEHSRRUEHRL #0180/01 0431709CCCC ZZH121709Z FEB 10AMEMBASSY BERLINRUEHC/SECSTATE WASHDC PRIORI C O N F I D E N T I A L SECTION 01 OF 02 BERLIN 000180 SENSITIVE SIPDIS DEPT FOR EUR, L, S/CT, EEB, INL TREASURY FOR TFI E.O. 12958: DECL: 02/11/2020 TAGS: PTER KTFN PGOV PREL PINR ETTC EAIR EFIN KCRM KJUS, KHLS, GM SUBJECT: CHANCELLOR MERKEL ANGERED BY LACK OF GERMAN MEP SUPPORT FOR TFTP REF: A. BERLIN 176 **1B. BERLIN 128**

Classified By: ROBERT A. POLLARD, Minister-Counselor for Economics Affairs, for Reasons 1.4 (b and d).

- 11. (C) SUMMARY: Chancellor Merkel is privately angry over the lack of support German members of the European Parliament gave the Terrorist Finance Tracking Program (TFTP) interim agreement and is worried that Washington will view the EP's veto as a sign that Europe does not take the terrorist threat seriously. Merkel is particularly irritated with German MEPs from her Christian Democratic Union (CDU) and sister Christian Social Union (CSU) parties, most of whom reportedly voted against the agreement despite previously indicating they would support it. Public German reactions to the EP vote have come exclusively from TFTP detractors who portrayed the veto as a sign that the European Parliament has won a victory over an arrogant Commission/Council, as well as delivering a rebuke to U.S. counterterrorism policies that undervalue data privacy. These events suggest the need to intensify our engagement with German government interlocutors, Bundestag and European parliamentarians, and opinion makers to demonstrate that the U.S. has strong data privacy measures in place. END SUMMARY
- 12. (C) Hamburg Mayor Ole von Beust (CDU) told Ambassador today (2/12) that he had met with Chancellor Merkel last night and she was "very, very angry angrier than he had ever seen her" with the outcome of the vote. Beust said that the Chancellor had personally lobbied German MEPs from the CDU/CSU parties to support the agreement, but that most of these MEPs ended up voting against the agreement anyway. Merkel expressed concerns to Beust that Washington will view the EP veto as a sign that Europe does not take the terrorist threat seriously. Merkel also worried about the ramifications (presumably within Europe and for transatlantic relations) that might follow were a terrorist attack to occur that could have been prevented had SWIFT data been exchanged.
- 13. (C) Federal Justice Minister Leutheusser-Schnarrenberger, a strong proponent of data privacy rights from the Free Democratic Party (FDP; see reftels), quickly welcomed the TFTP veto. She said "the citizens of Europe have won a victory today that strengthened not just data protection, but democracy in all of Europe." The Minister has been a vocal critic of the TFTP and in interviews today stressed that the EP veto will lead to a change of European policy in which "data protection is no longer just an appendix of security policy." She also restated her understanding that German investigators believe TFTP data has not/not contributed meaningfully to terrorism investigations. She said the EP decision paves the way for new negotiations that take into account European notions of data protection.
- 14. (C) Some German members of the European Parliament likewise applauded the TFTP veto. Green Party MEP Jan Philipp Albrecht stated that the vote would not cause a "transatlantic ice-age" because President Obama has more important concerns and would not "emphasize this defeat too much at home." Werner Langen, head of the EP CDU/CSU group, said that his group did not vote against the United States, but rather against the European Commission and the Council who had "negotiated a bad agreement." Martin Schulz, head of the Social Democratic faction, said that the "negotiating position of the EU is now better." FDP MEP Alexander Graf Lambsdorff acknowledged that the decision could be a temporary irritation in transatlantic relations, but believed that this would not last long and the time would soon come to "negotiate a reasonable agreement." Bavarian State Minister Mueller told Munich CG that the CSU is interested in moving forward with the negotiation of a new agreement that meets US and European needs.
- 15. (C) COMMENT: Why did so many German MEPs oppose TFTP?

BERLIN 00000180 002 OF 002

First, the debate was not just about TFTP. Germans across the political spectrum adamantly support data protection) whether it has to do with Passenger Name Records, Google,s supposed &monopoly8 on data searches, or individual credit ratings. Recent scandals in which major firms such as Deutsche Telekom and Deutsche Bahn illegally tapped phones or files of tens of thousands of employees and customers reinforced Germans, concerns about the misuse of data technology. Historical memory also plays a part, as stories about how the Stasi abused information to destroy people,s

lives still regularly circulate in the press. Paranoia runs deep especially about U.S. intelligence agencies. We were astonished to learn how quickly rumors about alleged U.S. economic espionage) at first associated with the new U.S. air passenger registration system (ESTA), then with TFTP) gained currency among German parliamentarians in the run-up to the February 11 vote in Strasbourg. Moreover, the fact that the libertarian Free Democratic Party (FDP) made data privacy a central plank of the pact with its coalition partners, the CDU/CSU) and more importantly, captured the Justice Ministry) made it very difficult for TFTP advocates like Interior Minister de Maiziere to speak up. None of this may excuse the behavior of certain German MEPs, but it says something about the challenge ahead.

something about the challenge ahead.

16. (C) COMMENT CONT.: The overwhelming rejection of the interim agreement by German MEPs from all political parties nonetheless is surprising. Although we anticipated that the FDP and Greens would come out strongly against the interim agreement, the broad lack of support it received from the CDU/CSU and Social Democrats was unexpected. We believe a number of factors contributed to this including the fact that MEPs of all stripes saw this as an early opportunity to exert their new post-Lisbon powers and send a message to the Commission and Council. Specific to Germany, the almost complete absence of public statements by German leadership in support of the agreement resulted in a situation in which MEPs received no political coverage supporting a positive vote and saw little political cost for a no vote. Furthermore, the German public and political class largely tends to view terrorism abstractly given that it has been decades since any successful terrorist attack has occurred on German soil. This week's TFTP vote demonstrates that we need to intensify our engagement with German government interlocutors, Bundestag and European parliamentarians and opinion makers to get our views across. We need to also demonstrate that the U.S. has strong data privacy measures in place so that robust data sharing comes with robust data protections. Murphy